

# NSR REFORM

Wisconsin Department of Natural Resources - December 2, 2003

- EPA PROMULGATED FINAL RULE ON DECEMBER 31, 2002
- STATES HAVE 3 YEARS TO SUBMIT NEW RULES TO EPA FOR APPROVAL
- WDNR FORMED AN ADVISORY GROUP IN AUGUST 2003
- MET WITH GROUP THROUGH NOVEMBER 2003 TO DEVELOP TODAY'S PROPOSAL

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- NEW APPLICABILITY TEST
  - Baseline is any 2 years in the last 10 in-place of the most recent 2 years in current rule
  - Future emissions projected based on potential (as in current rule) or on projected future actual
  - Proposal allows facilities to eliminate demand based increases from future emissions; WDNR is seeking input on how this would be calculated
  - Will make fewer projects subject to major NSR

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- CLEAN UNIT EXEMPTION
  - exempts emission units from NSR review for 10 years if the unit is designated a clean unit
  - clean units are units that meet BACT or LAER
- POLLUTION CONTROL PROJECTS (PCP)
  - codifies existing EPA policy on PCP's
  - requires notice to the department prior to undertaking

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- PLANTWIDE APPLICABILITY LIMITS (PALs)
  - allows facilities to cap emissions at current levels plus significance
  - if facility maintains these emissions, changes at the facility **not** subject to NSR review
  - DNR proposal allows facilities to remove clean units from PALs
  - DNR proposal provides for a declining PAL for sources in a non-attainment area

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- FUTURE STEPS

- Four Rule Hearings in January 2004; return to Board with final Rule in May 2004
- Begin meeting with advisory committee in December 2003 on minor NSR changes needed to implement today's proposals; proposal to Board in May 2004
- Begin meeting with advisory committee in June 2004 on NSR changes promulgated by EPA in 2003 (routine replacement)